

Addendum to State Retirement Incentive Policy

Future Personal Services by Persons who Retired Under the SRIP

The following guidelines apply to anyone who retired under the State Retirement Incentive Policy (SRIP) during the period November 1, 2002 through June 14, 2003 (or a similar program) and who is subsequently considered to perform personal services for the Executive Department.

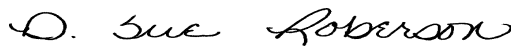
Employment - Retired employees receiving pension benefits from the Public Employees' Retirement Fund (PERF) or the Teachers' Retirement Fund (TRF) may only be rehired to the Executive Department under the following conditions:

- 1) Into an Intermittent (180-days/year) or Temporary (90-days/year) position, that is not covered by PERF or TRF.
- 2) When an agency's justification to hire a specific individual has been previously approved in writing by the State Personnel Department and the State Budget Agency. Note that:
 - a) Persons returning to PERF- or TRF-covered positions prior to July 1, 2004, will forfeit any cash payments under the State Retirement Incentive Policy (SRIP) that were not paid prior to the date of return to employment.
 - b) Persons receiving PERF or TRF pension benefits who return to positions covered by those pension plans, before attaining age 65, are subject to limitations on the amount of money that can be earned in a year. At the point in a year that an employee earns \$25,000 in a covered position, his/her pension benefits will cease for the remainder of the year.

Contractors - Retired employees receiving pension benefits from the Public Employees' Retirement Fund (PERF) or the Teachers' Retirement Fund (TRF) may perform personal services for the Executive Department if:

- 1) The services are being leased from a temporary service agency or company with which the state agency has an approved contract.
- 2) The individual is an independent contractor, performing under a professional services contract. In addition to the standard contract approval process, if a professional services contract is to be entered into with a SRIP participant, the agency's general counsel must analyze the contract to assure that it does not establish a common law employment relationship.

Effective Date: March 9, 2004

Approval: 
D. Sue Roberson, State Personnel Director